

## **Retail Market Analysis**

In February of 2014, the City of Norman, Oklahoma funded a Retail Market Analysis which was conducted and completed by The Retail Coach, LLC. The intent of this strategy was to provide a better understanding of Norman's retail sector in order to provide a foundation for attracting new retailers and developers to Norman. The study included the following phases:

- Regional Market Analysis
- Retail Trade Area Determination and Analysis
- Demographic and Psychographic Profiling
- Retail Gap Analysis
- Retailer/Developer Identification
- Retailer Market Conditions, Market Potential, Retailer Trends

Retail developments have become critical to communities because they exude a certain quality of life, add tax dollars to the community, and help attract other developments to the market. Significant or unique retail developments often become an important part of a community's image and reputation, and attract people from multiple locations.

Based on our on-the-ground analysis and conversations with community leaders and retailers, we believe Norman is underserved in many retail categories.

### **Norman Retail Trade Areas**

The Retail Trade Area is the foundational tool for any retail recruitment or retention strategy. A Retail Trade Area constitutes the largest distance consumers will travel to shop/eat in a community.

The exterior boundaries of the trade area were determined by personally driving the area road systems, cataloging area retailers & restaurants, interviews with community and governmental leadership and interviews with retailers and restaurants in Norman and other local communities.

The Retail Coach has determined three different retail trade areas for Norman. These include the Primary Retail Trade Area, Secondary Retail Trade Area, and Tertiary Retail Trade Area.

Primary Retail Trade Area: Includes those shoppers who consider Norman their daily shopping hub.

Secondary Retail Trade Area: Includes those shoppers who shop/dine in Norman on the weekend.

Tertiary Retail Trade: Includes shoppers who shop/dine in Norman 2-3 times per month. The Tertiary Trade Area is a regional trade area and should be marketed to those retailers with big ticket items, including furniture dealers, car dealers, etc.

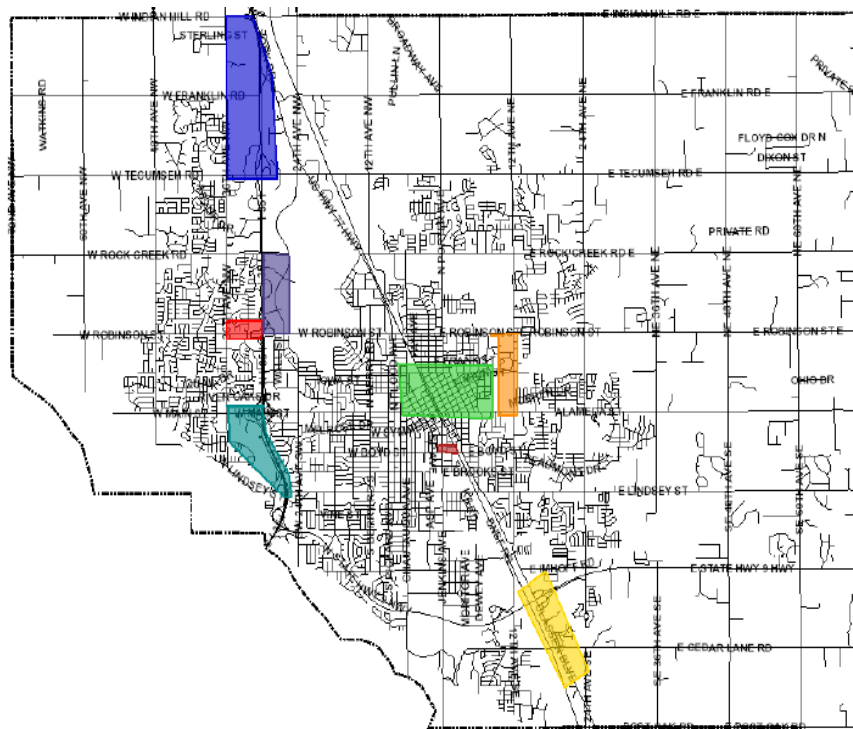
## Submarkets

Based on The Retail Coach's on the ground analysis, we have identified eight retail submarkets within Norman. (See map below)

It is our opinions that a Retailer/Developer Recruitment Plan needs to be developed for each submarket. The retailers who locate in Downtown Norman will be different than those who locate in the Ed Noble/Sooner Mall Submarket.

These submarkets include:

- Northwest Submarket (blue)
- University North Park Submarket (light blue):
- West Robinson Submarket (light red)
- Ed Noble Parkway/Sooner Mall Submarket (teal)
- Campus Corner Submarket (dark red)
- Downtown Submarket (green)
- Southeast Submarket (yellow)
- 12<sup>th</sup> Ave. Submarket (orange)



## Recommendations

Norman is too large of a community to have one Retailer and Developer Recruitment Strategy. Instead, develop a unique development strategy for each submarket. Each of the eight markets needs a retailer/developer recruitment and retention strategy. The retail real estate market is site and submarket driven. That being said, the City of Norman should focus its efforts on identifying available retail sites within each submarket and then market those sites to specific identified retailers and developers.

As a continuation to the recommendation above, consider maintaining a database of available retail sites currently available in Norman. When a retailer or developer shows interest in Norman, these sites will be available to provide to them immediately.

Begin exhibiting at the ICSC Deal Making – Dallas in November each year. Also consider attending and possibly exhibiting at the ICSC Recon Conference at the Las Vegas Convention Center in May 2015.

Consider initiating a Norman Commercial Exchange that would include regular meetings with the Chamber, City officials, commercial realtors, brokers, and developers. If for no other reason, this forum could help keep everyone on the same page.

Continue to make locating a site in Norman an easy process. Providing all of the information up front a potential retailer or developer needs when deciding to locate a community will help speed up the site location process. Retail is exactly that, a process and not something that happens overnight. Because of this, anything the City, EDC, or Chamber can do to help speed up the process will make Norman more attractive than its surrounding communities.

Although, we are not huge fans of incentives, we do realize they are necessary in certain situations. Specifically, in our opinion, certain situations for incentives include those projects that expand the boundaries of the Retail Trade Area, and those projects involving destination type retailers. We recommend looking at each situation individually and researching what incentive other communities have provide to the retailer or developer.

Continue to focus on the retention of existing businesses. Customer service and marketing specialists are readily available for seminars and workshops. Downtown Norman, for example, will continue to be local/regional retailer driven. Providing workshops and updated information and data to local/regional businesses is key to long term success.